



Deepak Sharma

13:23 Fri 08 Jan 2021

Firefinch higher on exceeding December quarter gold production guidance

The company is ramping up production at Morila from a current annual production profile of 40,000 ounces from tailings treatment towards a target of 80,000 ounces from small open pits, stocks and tailings.



Firefinch is a Mali focused gold miner and lithium developer.

Firefinch Ltd (ASX:FFX) (OTCMKTS:EEYMF) (FRA:N9F) is trading higher after exceeding gold production guidance for the December quarter of 2020 with 4,228 ounces of gold produced from processing tailings at the Morila mine in Mali.

There have been 7,683 ounces have been produced since the company acquired ownership of the operation in the country's south on November 11, 2020.

A production target of 10,000 to 10,500 ounces of gold has been reaffirmed for the first quarter of 2021.

Shares have been more than 27% higher to A\$0.255 intra-day, a new two-year high.

"Delighted with production"

Firefinch executive chairman Alistair Cowden said: "We are delighted with the gold production and overall progress at Morila.

“In just two months the Firefinch team has safely achieved above forecast production.

“Significant progress has been made on mine plans, costs and timelines and we very much look forward to updating our shareholders further as plans are finalised.

“We thank our shareholders for their ongoing support and look forward to updating the market in the coming weeks.”

Potential new ore feeds

The company has consistently delivered above forecast operational performance and safely and continues to progress mine planning including evaluating potential new ore feeds and plant and infrastructure refurbishment, costings and works at the Morila Main Pit.

Two reverse circulation drill rigs are on site, undertaking infill drilling at Morila’s satellite resources to improve confidence in planned open pits through increased data coverage.

The company’s cash and gold on hand at the end of December 2020 stood at A\$33 million.

Progress at lithium project

Contemporaneously, Firefinch is actively progressing options to advance and realise the value of its nearby world-class Goulamina Lithium Project.

Goulamina is one of the world’s largest undeveloped deposits and has the potential to be one of the lowest-cost producers.

Cowden said: “At the same time, we are in a very fortunate position with our Goulamina lithium asset.

“Recent strong interest in lithium equities has improved the standing of the Goulamina Lithium Project, one of the world’s best undeveloped and uncommitted lithium assets.”

The company will provide a detailed update in the upcoming quarterly report and an updated mineral resource estimate for the Morila deposit is expected in coming weeks.

Source: <https://www.proactiveinvestors.com.au/companies/news/937915/firefinch-higher-on-exceeding-december-quarter-gold-production-guidance-937915.html>